

A CAPITOL IDEA

With the first 100 days of the Republican party's "Contract With America" nearing completion, Landscape Management magazine sent Cleveland-based business and issues writer Tom Johnson to Washington to survey the landscape and report back on what drastic changes in the direction of the federal government might mean to our readers. Johnson, a former editor of Pest Control magazine, interviewed industry association officials, Congressmen and federal officials in preparing this report. Is your business world about to change for the better? Read on.



Big winner in new 'American revolution' is small businessman

Young Republicans open the way for pro-business legislation that had been blocked or buried in four decades of liberal and activist control.

by Tom Johnson

■ It was the best of times. When the 104th Congress was gaveled to a close on April 7th, 100 days of Republican leadership in the U.S. House of Representatives and Senate had changed the way America is governed.

The consensus opinion is that one big winner in this typically bloodless American revolution is small business—in particular, small businesses most tormented by the regulatory excesses that have ranged from the harmless and ludicrous to the repressive and expensive.

For the green industry, the promise of relief is in the air. If the Senate follows the "take-no-prisoners" lead of the House, and Congress has enough clout to override Presidential vetoes, you can look forward to legislation that means a sunnier business climate ahead.

Among them:

- Incentives for small business worth billions of dollars, including better estate tax exemptions, a 50 percent capital gains tax rate cut for individuals (25 percent for corporations), and a higher limit on equipment and structure write-offs.
- A regulatory relief package—the Job Creation and Wage Enhancement Act; the Regulatory Moratorium Bill; the Private Property Bill; the Risk Assessment and Cost Benefit Bill (a direct attack on the Environmental Protection Agency and the Occupational Health and Safety Administration); the Paperwork Reduction Act and the Regulatory Flexibility Bill.
- Judicial limits to punitive damages that juries can award, and restrictions on business liability.

Last November's elections resulted in wholesale changes that stripped a generation of older, mostly liberal committee chairmen from the Congressional roster. Patrick Leahy (D-Ver.), the liberal who controlled the Senate Agriculture, Nutrition and Forestry Committee and stifled attempts at pesticide legislative compromise, has passed the chairman's gavel to the Republican Richard Lugar (R-Ind.).

Educating freshmen Congressmen on pesticide issues is one of the daunting tasks that faces the green industry.

Six weeks ago in the Washington offices of Responsible Industry for a Sound Environment (RISE), executive director Allen James had taken on the fatigued look that enveloped Congressmen and lobbyists alike in the nation's capital as legislation moved with lightning speed through the corridors of power.

James was working nights to keep track of scores of bills and regulations that could affect the green industry. He wasn't feeling overly optimistic that the Republican "Contract With America" had yet done anything for specialty pesticides.

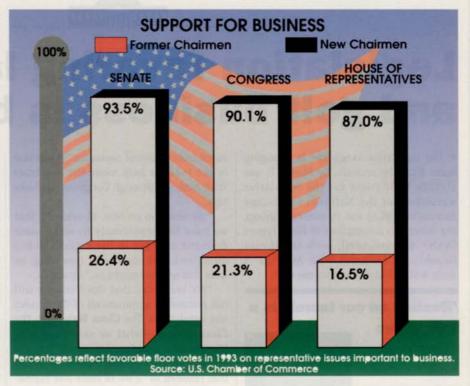
"I would have to challenge the assumption that things have turned completely around. Very few bills have started moving that will have an impact on our industry," he says.

He has other misgivings. The industry could well win the battle at the federal level, and still find itself hobbled as activists take their battles to the states, where legislators aren't as well educated in the intricacies of pesticide technology and don't have as much time to consider legislation.

His federal legislative laundry list will take considerably longer than 100 days to wash. Here are the top two:

1) FIFRA—In a nutshell, lawmakers are preparing to rewrite the nation's pesticide laws. The troublesome Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) will be under review this year. House subcommittees will see it in the late spring, and action will commence on the "everything is a carcinogen-zero risk" Delaney Clause of the Federal Food, Drug and Cosmetic Act (FFDCA) in the House Commerce Committee. Left unchallenged, enforcement of the Delaney Clause could strip the green industry of necessary pesticides.

H.R. 1627 was introduced last year in the House by Rep. Roy Rowland, (D-Ga.), Rep. Richard Lehman (D-Calif.) and Rep. Tom Bliley (R-Va.). Bottled up in Democrat-controlled committees in the last Congress, the legislation would establish a "negligible risk" policy, diluting the Draconian theoretical risk levels established by the EPA. It would also speed up



the review and cancellation of suspect pesticides, allowing older, theoretically riskier pesticides to be removed from the market to be replaced with newer, "less risky" pesticides.

Even the EPA wants FIFRA amended to drop Delaney and replace it with some

Allen James has loads of political 'laundry' ahead.

form of negligible risk legislation. It is putting pressure on Congress to reform FIFRA with the announcement that it plans to release an extended list of pesticides marked for review under Delaney.

James expects the EPA to snipe at the bill, and small groups of

Democrats want to water down the negligible risk language. He isn't counting on the bill coming out the way it was written.

Other hurdles? James fears that President Clinton will veto the bill "if it goes too far in helping an industry like ours."

2) Clean Water Act—Reauthorization of this law, a centerpiece of activist policy as originally proposed, would force mandatory reductions in what technicians call non-point source reduction (run-off) from urban areas. RISE and allied organizations are working with the new Republican majority to fold industry concerns into less stringent legislation.

Enforcement would mandate pesticide reduction, James warns, "when in fact, the detections of our products are not really an issue of concern for water quality. The fact is that there is little contamination of waterways from urban areas.

"Our objective," he says, "Is to remove those mandatory requirements, and to make certain that, when passed, the act does not include enforcement language. The goal is to prevent legislation that would inadvertently continue to over-regulate our industry."

"In the past," James continues, "we were trying to stop legislation that would absolutely have harmed our industry. It was easy to see the problems." Now, he says, RISE has to see that well-intended legislation "does not unintentionally hurt our industry."

Even with friendlier faces in the committee rooms, the lot of the pesticide lobby is not going to be an easy one. James cautions that "legislative reform is not going to happen overnight. I see a lot of negotiation and education, and the final result will still require compromise."